

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Allied Group Limited, you should at once hand this circular and the accompanying form of proxy and the 2011 Annual Report to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**ALLIED GROUP LIMITED**  
**( 聯合集團有限公司 )**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 373)**

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE SECURITIES,  
AND REPURCHASE SHARES,  
PROPOSED AMENDMENTS TO THE ARTICLES  
AND ADOPTION OF NEW MEMORANDUM AND ARTICLES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting of Allied Group Limited (“Company”) to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 31st May, 2012 at 10:15 a.m. is set out on pages 18 to 23 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish.

24th April, 2012

---

# CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b>	
Introduction .....	3
Re-election of Directors .....	4
General Mandates to Issue Securities and Repurchase Shares .....	5
Proposed Amendments to the Articles and Adoption of New Memorandum and Articles .....	6
AGM .....	7
Recommendation .....	7
General Information .....	8
<b>APPENDIX I – DIRECTORS PROPOSED TO BE RE-ELECTED</b> .....	9
<b>APPENDIX II – EXPLANATORY STATEMENT</b> .....	14
<b>NOTICE OF AGM</b> .....	18

---

## DEFINITIONS

---

*In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 31st May, 2012 at 10:15 a.m. or any adjournment thereof
“Articles”	the articles of association of the Company (as amended from time to time)
“Board”	board of Directors
“Company”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Non-Executive Director”	independent non-executive Director
“Latest Practicable Date”	19th April, 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Lee and Lee Trust”	Lee and Lee Trust, a substantial shareholder of the Company, which was interested in 120,166,492 Shares, representing approximately 62.71% of the issued share capital of the Company as at the Latest Practicable Date and which is a discretionary trust
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company (as amended from time to time)
“Repurchase Code”	Hong Kong Code on Share Repurchases

---

## DEFINITIONS

---

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$2.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“2011 Annual Report”	annual report of the Company for the year ended 31st December, 2011
“%”	per cent.

---

LETTER FROM THE BOARD

---



**ALLIED GROUP LIMITED**  
**( 聯合集團有限公司 )**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 373)**

*Executive Directors:*

Lee Seng Hui (*Chief Executive*)  
Edwin Lo King Yau  
Mak Pak Hung

*Non-Executive Directors:*

Arthur George Dew (*Chairman*)  
Lee Su Hwei

*Independent Non-Executive Directors:*

Wong Po Yan  
David Craig Bartlett  
Alan Stephen Jones

*Registered Office:*

22nd Floor  
Allied Kajima Building  
138 Gloucester Road  
Wanchai  
Hong Kong

24th April, 2012

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE SECURITIES,  
AND REPURCHASE SHARES,  
PROPOSED AMENDMENTS TO THE ARTICLES  
AND ADOPTION OF NEW MEMORANDUM AND ARTICLES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to, among other things, (i) the re-election of Directors; (ii) the re-election of Messrs. Wong Po Yan and David Craig Bartlett, who have already served the Company for more than nine (9) years, as Independent Non-Executive Directors; (iii) the granting to the Directors of general mandates to issue securities of the Company and repurchase Shares up

---

## LETTER FROM THE BOARD

---

to 20% and 10% respectively of the aggregate nominal amount of the Company's issued share capital as at the date of the passing of such resolutions; and (iv) the proposed amendments to the Articles and adoption of new Memorandum and Articles.

### RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consists of eight (8) Directors, namely Messrs. Arthur George Dew, Lee Seng Hui, Edwin Lo King Yau, Mak Pak Hung, Ms. Lee Su Hwei, Wong Po Yan, David Craig Bartlett and Alan Stephen Jones.

Pursuant to Article 105(A) of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office such that each Director (including those appointed for a specific term) will be subject to retirement by rotation at least once every three (3) years at the annual general meeting, provided always that any Director appointed pursuant to Article 96 of the Articles shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. Pursuant to Article 96 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election.

Pursuant to Article 105(A) of the Articles, Messrs. Lee Seng Hui, Mak Pak Hung and Alan Stephen Jones shall retire from office by rotation and, being eligible, offer themselves for re-election at the AGM.

Further, pursuant to the new code provision of A.4.3 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules which came into effect from 1st April, 2012, if an independent non-executive director serves more than nine (9) years, his further appointment should be subject to a separate resolution to be approved by shareholders.

Messrs. Wong Po Yan and David Craig Bartlett have both been appointed as Independent Non-Executive Directors for more than nine (9) years. They have been appointed for a specific term of two years which will expire on 31st December, 2012 ("Term") and, being eligible, will stand for re-election as Directors at the AGM for renewal of the Term. The Company has received from both Mr. Wong and Mr. Bartlett an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and neither have any management role in the Group nor any relationship with any Director, senior management, substantial or controlling shareholder of the Company. The Board therefore recommends the re-election of Mr. Wong and Mr. Bartlett as Independent Non-Executive Directors notwithstanding the fact that they have both served the Company for more than nine (9) years.

---

## LETTER FROM THE BOARD

---

Article 109 of the Articles provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company during the period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven (7) days prior to the date of such general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice in writing of his intention to propose such person for election as a Director and the notice in writing executed by the nominee of his willingness to be elected must be validly served at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong on or before 23rd May, 2012.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue a supplementary circular to inform the Shareholders of the details of the additional candidate proposed.

### **GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES**

At the annual general meeting of the Company held on 1st June, 2011, ordinary resolutions were passed for the granting of general mandates to the Directors (i) to allot, issue or otherwise deal with additional securities of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at that date ("Existing Issue Mandate"), being 41,466,812 Shares; and (ii) to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at that date ("Existing Repurchase Mandate"), being 20,733,406 Shares.

The Existing Issue Mandate and the Existing Repurchase Mandate will expire upon the conclusion of the AGM. The Directors consider that the Existing Issue Mandate and the Existing Repurchase Mandate increase the flexibility in dealing of the Company's affairs and are in the interests of both the Company and the Shareholders as a whole, and that the same shall continue to be adopted by the Company.

New general mandates to allot, issue or otherwise deal with additional securities of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution as set out in Resolution No. 5(A) of the notice of AGM will be proposed at the AGM. Subject to the passing of the resolution granting the proposed mandate to issue securities of the Company and on the basis that no further securities are issued or repurchased before the AGM, the Company will be allowed under such mandate to issue a maximum of

---

## LETTER FROM THE BOARD

---

38,322,823 Shares, representing 20% of the issued share capital of the Company as at the Latest Practicable Date. In addition, a new general mandate to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution (“Share Repurchase Mandate”) as set out in Resolution No. 5(B) of the notice of AGM will also be proposed at the AGM. A resolution authorising the extension of the general mandate to the Directors to issue securities of the Company to include the aggregate nominal amount of such Shares repurchased (if any) under the Share Repurchase Mandate is to be proposed as Resolution No. 5(C) of the notice of AGM at the AGM.

With reference to the proposed new general mandates, the Directors, as at the date hereof, wish to state that they have no immediate plans to issue any new securities of the Company pursuant to the relevant mandates.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against Resolution No. 5(B) to be proposed at the AGM in relation to the proposed Share Repurchase Mandate is set out in Appendix II to this circular.

### **PROPOSED AMENDMENTS TO THE ARTICLES AND ADOPTION OF NEW MEMORANDUM AND ARTICLES**

The Stock Exchange has amended the Listing Rules relating to, amongst other things, the articles of association or equivalent constitutional documents of listed issuers. Some of the amendments to the Listing Rules came into effect on 1st January, 2012 and 1st April, 2012. Accordingly, the Directors propose to seek the approval of Shareholders for the amendments to the existing Articles and adoption of new Memorandum and Articles, so as to bring the constitution of the Company in line with certain current amendments to the Listing Rules.

The major proposed amendments to the Articles are summarised below:

1. subject to certain exceptions, a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and
2. appointment of auditor at each annual general meeting to hold office from the conclusion of that meeting until the next annual general meeting. No removal shall be made before the end of the auditor’s term of office without first obtaining Shareholders’ approval at a general meeting.



---

## LETTER FROM THE BOARD

---

Special resolutions to approve the amendments to existing Articles and the adoption of new Memorandum and Articles incorporating the proposed amendments and all previous amendments made in past years will be proposed at the AGM, details of which are set out in Resolution Nos. 6(A) and 6(B) in the notice of AGM set out on pages 18 to 23 of this circular.

Shareholders are advised that the Memorandum and Articles are written in English only and there is no official Chinese translation. Therefore, the Chinese translation of the proposed amendments to the Articles as set out in this circular and the notice of AGM is solely for reference purpose. In case of any inconsistency, the English version shall prevail.

### AGM

The notice of AGM to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 31st May, 2012 at 10:15 a.m. is set out on pages 18 to 23 of this circular. A copy of the 2011 Annual Report is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of, inter alia, the re-election of Directors and the general mandates to issue securities of the Company and repurchase Shares, and special resolutions in respect of the amendments to the existing Articles as referred to above and the adoption of new Memorandum and Articles will be proposed at the AGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions set out in the notice of AGM will be put to vote by way of poll at the AGM. Any announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

### RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of the retiring Directors, the re-election of Messrs. Wong Po Yan and David Craig Bartlett who have already served the Company for more than nine (9) years as Independent Non-Executive Directors, the grant of general mandates to issue securities of the Company and repurchase Shares, and to add the aggregate nominal amount of Shares that may be repurchased to the aggregate nominal amount of the Shares that may be allotted pursuant to the general mandate to issue securities of the Company, and the proposed special resolutions to approve the amendments to the existing Articles and the adoption of new Memorandum and Articles are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

---

## LETTER FROM THE BOARD

---

Copies of the existing Articles and the proposed new Memorandum and Articles are available for inspection at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong during normal business hours (from 9:30 a.m. to 5:00 p.m.) on any business day (excluding Saturdays, Sundays and public holidays) from the date of this circular up to and including the date of AGM.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,  
For and on behalf of the Board  
**Allied Group Limited**  
**Arthur George Dew**  
*Chairman*

*The biographical details of the Directors proposed to be re-elected at the forthcoming AGM are set out as follows:*

**Mr. Lee Seng Hui**, aged 43, Chief Executive of the Company since January 1998, was appointed a Non-Executive Director of the Company in July 1992 and became an Executive Director of the Company in December 1993. Save as disclosed herein, Mr. Lee is also director of a subsidiary of the Company. He graduated from the Law School of the University of Sydney with Honours. Previously, he worked with Baker & McKenzie and N M Rothschild & Sons (Hong Kong) Limited. Mr. Lee is the chief executive and an executive director of Allied Properties (H.K.) Limited (“APL”) and the chairman and a non-executive director of Tian An China Investments Company Limited. He is a non-executive director of each of APAC Resources Limited (“APAC Resources”), Mount Gibson Iron Limited (“Mount Gibson”) and Tanami Gold NL (“Tanami Gold”), the shares of Mount Gibson and Tanami Gold being listed on the Australian Securities Exchange. He is a brother of Ms. Lee Su Hwei (a Non-Executive Director of the Company). Save as disclosed above, Mr. Lee did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

As at the Latest Practicable Date, Mr. Lee had a personal interests in 22,921 Shares, and Mr. Lee, Ms. Lee Su Hwei (a Non-Executive Director of the Company and the sister of Mr. Lee) and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust, which indirectly held 120,166,492 Shares. They together owned 62.72% interests of the issued share capital of the Company as at the Latest Practicable Date and were therefore deemed to have interests in the Shares within the meaning of Part XV of the SFO.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Lee, pursuant to which he is entitled to receive (i) a monthly salary of HK\$172,000 together with an accommodation in rental value of HK\$380,000 per month during the period from 1st January, 2011 to 31st December, 2011 and HK\$438,000 per month commencing from 1st January, 2012 with a management fee of HK\$65,000 per month payable by the Company; (ii) a discretionary bonus which is based on the performance of the Company; (iii) a thirteen-month salary payment that is made each December in respect of that year; and (iv) share options at the discretion of the Board (if any). The remuneration of Mr. Lee was determined with reference to the prevailing market conditions and the terms of the Company’s remuneration policy. He will have no designated length of service with the Company but will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office. Save as disclosed above, Mr. Lee did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Lee is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Lee to be disclosed.

**Mr. Mak Pak Hung**, aged 65, was appointed an Executive Director of the Company in January 2006. He holds a Bachelor of Arts Honours Degree in Economics from the University of Hong Kong and a Master of Business Administration Degree from the University of Western Ontario, Canada. Mr. Mak is the Executive Director for Banking and Treasury of Sun Hung Kai & Co. Limited (“SHK”) and a director of Sun Hung Kai International Bank [Brunei] Limited, a wholly-owned subsidiary of SHK. Formerly, Mr. Mak was the Chief Financial Officer of SHK. Prior to joining SHK, Mr. Mak was with A.S. Watson & Company Limited, a wholly-owned subsidiary company of Hutchison Whampoa Limited, as Chief Operating Officer and Group Finance Director. Before that, he was the Managing Director of Canadian Imperial Bank of Commerce for Hong Kong and China and has also held senior positions with Manufacturers Hanover Trust Co. and Citibank N.A., with extensive experience in banking and finance. He is also a director of United Asia Finance Limited. Save as disclosed above, Mr. Mak did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Mak, pursuant to which he is entitled to receive (i) a monthly salary of HK\$60,000; (ii) a discretionary bonus which is based on the performance of the Company; and (iii) a thirteen-month salary payment that is made each December in respect of that year. He will have no designated length of service with the Company but will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office. An employment contract has been entered into between SHK, an indirect non wholly-owned subsidiary of the Company, and Mr. Mak, pursuant to which he is entitled to receive (i) a monthly salary of HK\$127,500; and (ii) a discretionary bonus in accordance with the policy and practice of SHK. The remuneration of Mr. Mak was determined with reference to the prevailing market conditions and the terms of the Company’s remuneration policy. Save as disclosed above, Mr. Mak did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Mak is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Mak to be disclosed.

**Mr. Alan Stephen Jones**, aged 69, was appointed an Independent Non-Executive Director in January 2006. Mr. Jones, a chartered accountant, has extensive experience in management, administration, accounting, property development, carpark management, finance and trading, and has been involved in successful mergers and acquisitions of a number of public companies in Australia and internationally. Mr. Jones is an independent non-executive director of each of APL and SHK. He is also a non-executive director of each of Mount Gibson and Mulpha Australia Limited and is the chairman and a non-executive director of Air Change International Limited (“Air Change”, formerly known as IFC Capital Limited), the shares of Mount Gibson and Air Change being listed on the Australian Securities Exchange. He was previously an independent non-executive director of APAC Resources. Save as disclosed above, Mr. Jones did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Jones, pursuant to which (i) his term of appointment shall continue until 31st December, 2012, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to a consultancy fee of HK\$220,000 per annum (together with all appropriate travel and accommodation expenses for attending relevant meetings of the Company in Hong Kong as required by the Company). A service contract has been entered into between APL and Mr. Jones, pursuant to which he is entitled to a consultancy fee of HK\$220,000 per annum (together with all appropriate travel and accommodation expenses for attending relevant meetings of APL in Hong Kong as required by APL). A letter of appointment has been entered into between SHK and Mr. Jones, pursuant to which he is entitled to a consultancy fee of HK\$250,000 per annum (together with all appropriate travel and accommodation expenses for attending relevant meetings of SHK in Hong Kong as required by SHK). He is also entitled to a director's fee of HK\$11,000 per annum from SHK. The remuneration of Mr. Jones was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, Mr. Jones did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Jones has also given an annual confirmation of his independence to the Company and is considered by the Board to be independent. Mr. Jones is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Jones to be disclosed.

**Mr. Wong Po Yan**, *G.B.M., C.B.E., J.P.*, aged 88, an Independent Non-Executive Director since March 1993, is one of Hong Kong's leading residents with an outstanding record of business and public service. He was the chairman and managing director of United Oversea Enterprises Ltd. and former vice chairman of the Committee for the Basic Law of the HKSAR under the Standing Committee of the National People's Congress. He is also an independent non-executive director of each of China Electronics Corporation Holdings Company Limited, FinTronics Holdings Company Limited, Shenzhen Investment Limited, Sinopec Kantons Holdings Limited and Mingfa Group (International) Company Limited. Mr. Wong was previously an independent non-executive director of Alco Holdings Limited. Save as disclosed above, Mr. Wong did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

During his tenure as an Independent Non-Executive Director, Mr. Wong has made a positive contribution to the Company's strategy, policies and performance with his independent advice and comments, judgement with his extensive experience in business and public service in Hong Kong coupled with his general understanding of business of the Group and his re-appointment is considered to be of benefit to the Company.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Wong, pursuant to which (i) his term of appointment shall continue until 31st December, 2012, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to a consultancy fee of HK\$165,000 per annum. The remuneration of Mr. Wong was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, Mr. Wong did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Wong has also given an annual confirmation of his independence to the Company and is considered by the Board to be independent notwithstanding the fact that he has served as a Director for more than nine (9) years after taking into account the fact that he does not have any management role in the Company nor any relationship with any Director, senior management, substantial or controlling shareholder of the Company, his experience and his past contributions to governance. Mr. Wong is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Wong to be disclosed.

**Mr. David Craig Bartlett**, aged 46, was appointed an Independent Non-Executive Director in December 1999. He graduated with honours in law from Exeter University in the United Kingdom in 1988 and subsequently qualified as a solicitor in England & Wales, The Republic of Ireland and the Hong Kong Special Administrative Region. A former partner of the international law firm Clyde & Co., he regularly acted for and advised the Company and its subsidiaries before leaving private practice for a career in industry. Now based primarily in Europe, Mr. Bartlett is also an independent non-executive director of SHK. He was appointed an independent non-executive director of APL in August 2011. Save as disclosed above, Mr. Bartlett did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

During his tenure as an Independent Non-Executive Director, Mr. Bartlett has made a positive contribution to the Company's strategy, policies and performance with his independent advice, comments, judgment from the perspective of his legal background coupled with his general understanding of business of the Group, so his re-appointment is considered to be of benefit to the Company.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Bartlett, pursuant to which (i) his term of appointment shall continue until 31st December, 2012, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to a consultancy fee of HK\$82,500 per annum (together with all appropriate travel and accommodation expenses for attending relevant meetings of the Company in Hong Kong as required by the Company). A service contract has been entered into between APL and Mr. Bartlett, pursuant to which he is entitled to a consultancy fee of HK\$55,000 per annum. A letter of appointment has been entered into between SHK and Mr. Bartlett, pursuant to which he is entitled to a consultancy fee of HK\$187,000 per annum (together with all appropriate travel and accommodation expenses for attending relevant meetings of SHK in Hong Kong as required by SHK). He is also entitled to a director's fee of HK\$11,000 per

annum from SHK. The remuneration of Mr. Bartlett was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, Mr. Bartlett did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Bartlett has also given an annual confirmation of his independence to the Company and is considered by the Board to be independent notwithstanding the fact that he has served as a Director for more than nine (9) years after taking into account the fact that he does not have any management role in the Company nor any relationship with any Director, senior management, substantial or controlling shareholder of the Company, his experience and his past contributions to governance. Mr. Bartlett is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Bartlett to be disclosed.

*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Share Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$383,228,236.00 divided into 191,614,118 Shares.

Subject to the passing of the resolution granting the proposed mandate to repurchase Shares and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 19,161,411 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

## **REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions, and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

The Directors would exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2011, being the date to which the latest published audited financial statements of the Company were made up, if the general mandate to repurchase Shares was to be exercised in full at any time during the proposed repurchase period, it may have an adverse impact on the working capital and gearing level of the Company.

The Directors do not propose to exercise the mandate to repurchase Shares to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited financial statements of the Company or the gearing level, which in the opinion of the Directors, are from time to time appropriate for the Company.



**FUNDING OF REPURCHASES**

Repurchases to be made pursuant to the proposed mandate to repurchase Shares would be financed out of funds legally available for such purpose in accordance with the Memorandum and Articles and the applicable laws of Hong Kong and the Listing Rules. Such funds include, but are not limited to, profits available for distribution.

**EFFECT OF THE TAKEOVERS CODE AND REPURCHASE CODE**

Upon the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interests in the voting rights of the Company increases, and such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and Rule 6 of the Repurchase Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholders' interests, may become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

<b>Name of Shareholders</b>	<b>Number of Shares held</b>	<b>Approximate % of the issued share capital</b>	<b>Notes</b>	<b>Approximate % of the issued share capital should the Share Repurchase Mandate be exercised in full</b>
Minty Hongkong Limited ("Minty")	75,844,692	39.58%	1	43.98%
Lee and Lee Trust and parties acting in concert with it	120,189,413	62.72%	1, 2 and 3	69.69%

*Notes:*

1. Minty is wholly-owned by the trustees of Lee and Lee Trust, being a discretionary trust.
2. Mr. Lee Seng Hui and Ms. Lee Su Hwei, Directors, together with Mr. Lee Seng Huang, are the trustees of Lee and Lee Trust, being a discretionary trust, and were therefore deemed to have an interest in the Shares in which Minty was interested.
3. This figure includes 75,844,692 Shares held by Minty.

As at the Latest Practicable Date, Lee and Lee Trust and parties acting in concert with it were beneficially interested in 120,189,413 Shares, representing approximately 62.72% of the issued share capital of the Company.

Based on such interests in the Shares and in the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the AGM, the interests of Lee and Lee Trust together with the parties acting in concert with it will be increased to approximately 69.69% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, such increase in the interests of Lee and Lee Trust together with parties acting in concert with it will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code, and the amount of Shares held by the public will not be reduced to less than 25% of the total issued share capital of the Company in compliance with the public float requirement under the Listing Rules. The Directors have no present intention to repurchase Shares to the extent that it will result in the amount of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company if the Share Repurchase Mandate is approved at the AGM.

### PRICE OF THE SHARES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the last twelve months:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
<b>2011</b>		
April	27.55	26.50
May	27.00	26.00
June	26.70	24.20
July	26.50	25.00
August	26.00	22.60
September	23.60	20.20
October	20.20	18.80
November	20.00	18.80
December	19.00	18.78
<b>2012</b>		
January	19.20	18.36
February	19.60	18.96
March	19.50	18.52
April (up to the Latest Practicable Date)	18.70	17.70

**REPURCHASE OF SHARES**

The Company has purchased a total of 15,719,942 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date and details of which are as follows:

<b>Date of Repurchases</b>	<b>Number of Shares Repurchased</b>	<b>Price per Share</b>	
		<b>Highest HK\$</b>	<b>Lowest HK\$</b>
14th November, 2011	3,000,000	18.50	18.50
20th January, 2012	1,500,000	18.50	18.50
10th April, 2012	<u>11,219,942</u>	17.50	17.50
Total	<u><u>15,719,942</u></u>		

**GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so in the event that the Company is authorised to make repurchases of the Shares.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate to repurchase any Shares in accordance with the Listing Rules and the applicable laws of Hong Kong.

---

## NOTICE OF AGM

---



### **ALLIED GROUP LIMITED** **( 聯合集團有限公司 )**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 373)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“Meeting”) of Allied Group Limited (聯合集團有限公司) (“Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 31st May, 2012 at 10:15 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31st December, 2011.
2. To declare a final dividend.
3. (A) To re-elect Mr. Lee Seng Hui as a Director.  
(B) To re-elect Mr. Mak Pak Hung as a Director.  
(C) To re-elect Mr. Alan Stephen Jones as a Director.  
(D) To re-elect Mr. Wong Po Yan as a Director, who has already served the Company for more than nine (9) years as Independent Non-Executive Director, upon the expiry of the terms of his existing service on 31st December, 2012.  
(E) To re-elect Mr. David Craig Bartlett as a Director, who has already served the Company for more than nine (9) years as Independent Non-Executive Director, upon the expiry of the terms of his existing service on 31st December, 2012.  
(F) To authorise the Board of Directors to fix the Directors’ fees.
4. To re-appoint Deloitte Touche Tohmatsu as Auditor and authorise the Board of Directors to fix its remuneration.
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

### **ORDINARY RESOLUTIONS**

- (A) **“THAT:**
- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter

---

## NOTICE OF AGM

---

defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (“Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined);
  - (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company from time to time;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;

---

## NOTICE OF AGM

---

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

(B) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

---

## NOTICE OF AGM

---

(d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** conditional upon the passing of Resolution Nos. 5(A) and 5(B) as set out in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution No. 5(A) as set out in the notice convening the Meeting be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the Shares repurchased by the Company under the authority granted pursuant to Resolution No. 5(B) as set out in the notice convening the Meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution.”

6. As special business, to consider, and if thought fit, to pass the following resolutions, with or without modification, as Special Resolutions:

### SPECIAL RESOLUTIONS

(A) “**THAT** the articles of association of the Company be and are hereby amended in the following manner:

(a) Article 104

The existing Article 104(B)(ii)(c) be deleted in its entirety and the existing Article 104(B)(ii)(d), (e) and (f) be changed to sub-paragraph (c), (d) and (e) accordingly.

---

## NOTICE OF AGM

---

(b) Article 168

By adding the following immediately after the words “Companies Ordinance” in the second line of existing Article 168:

“The Company shall not remove its auditor before the end of the auditor’s term of office without first obtaining shareholders’ approval at general meeting.””

- (B) “**THAT** the new memorandum and articles of association of the Company, in the form of the printed document marked “A” and produced to this meeting and for the purpose of identification signed by the Chairman of this meeting, which consolidates all of the proposed amendments referred to in Resolution No. 6(A) above and all previous amendments made pursuant to resolutions passed by the shareholders of the Company at general meetings be approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing memorandum and articles of association of the Company with immediate effect.”

By Order of the Board  
**Allied Group Limited**  
**Cho Wing Han**  
Company Secretary

Hong Kong, 24th April, 2012

*Registered Office:*

22nd Floor  
Allied Kajima Building  
138 Gloucester Road  
Wanchai  
Hong Kong

*Notes:*

- 1. A member of the Company entitled to attend and vote at the Meeting will be entitled to appoint one or more proxies to attend and, on a poll, vote in his or her stead. A proxy need not be a member of the Company.*
- 2. A form of proxy in respect of the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the form of proxy, it will be deemed to have been revoked.*
- 3. To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.*



---

## NOTICE OF AGM

---

4. *Where there are joint holders of any Shares, any one of such joint holders may vote at the Meeting either personally or by proxy in respect of such Shares as if he or she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of such joint holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such Shares.*
5. *For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 29th May, 2012 to Thursday, 31st May, 2012 (both days inclusive), during which period no transfer of Shares will be registered. In order for a shareholder of the Company to be eligible to attend and vote at the Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 28th May, 2012.*
6. *The proposed final dividend is subject to the approval by the shareholders of the Company at the Meeting. For determining the entitlement to the proposed final dividend for the year ended 31st December, 2011, the register of members of the Company will be closed from Wednesday, 13th June, 2012 to Friday, 15th June, 2012 (both days inclusive), during which period no transfer of Shares will be registered. In order for a shareholder of the Company to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 12th June, 2012. Subject to approval by the shareholders of the Company at the Meeting, dividend warrants are expected to be despatched to the shareholders of the Company by post on or around Tuesday, 24th July, 2012.*
7. *In respect of Resolution No. 5(A) above, the Directors wish to state that they have no immediate plans to issue any new securities of the Company under this mandate. Approval is being sought from members as a general mandate, in compliance with the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20% of the issued share capital at the date of the passing of the resolution.*
8. *The general purpose of the authority to be conferred on the Directors by Resolution No. 5(B) above is to increase flexibility and to provide discretion to the Directors in the event that it becomes desirable to repurchase Shares representing up to a maximum of 10% of the issued share capital of the Company at the date of the passing of the resolution on the Stock Exchange.*